

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: RIDETA ELECTRIC COOPERATIVE, INC., AND SOUTHWEST IOWA SERVICE COOPERATIVE	DOCKET NO. SPU-03-14
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**ORDER AUTHORIZING DISCONTINUANCE AND TRANSFER OF SERVICE
AND MODIFICATION OF SERVICE AREA BOUNDARY**

(Issued November 14, 2003)

On October 17, 2003, Rideta Electric Cooperative, Inc. (Rideta), and Southwest Iowa Service Cooperative (SWISCO) filed with the Utilities Board (Board) a joint application for discontinuance of electric service and the transfer of electric service to Southwest Iowa Rural Electric Cooperative (Southwest Iowa). Southwest Iowa will be the successor in interest to Rideta and SWISCO due to a consolidation that will be effective January 1, 2004. A copy of the plan of consolidation was attached to the joint application. Rideta and SWISCO also requested a modification of service area boundaries to reflect the consolidation. No objections or responses to the joint application were filed.

Rideta and SWISCO are cooperative associations organized pursuant to Iowa Code chapter 499 (2003) and are public utilities providing electric utility service at retail to member consumers pursuant to Iowa Code chapter 476. On April 7, 2003, Rideta and SWISCO consummated a plan of consolidation to form a new entity,

Southwest Iowa. In accordance with the terms and conditions of the consolidation, Rideta and SWISCO will cease to exist as corporate entities on January 1, 2004. Southwest Iowa's corporate existence will commence on that date.

Southwest Iowa will provide the electric service formerly provided by Rideta and SWISCO. Iowa Code § 476.20 and 199 IAC 7.12 provide that Board approval is required prior to a public utility discontinuing service. The Board will authorize the discontinuance of service by Rideta and SWISCO and the transfer of service to Southwest Iowa as of January 1, 2004. Rideta and SWISCO are both electric cooperatives. Southwest Iowa, the new entity created by the consolidation, will also be an electric cooperative. While the Board has certain jurisdiction over electric cooperatives pursuant to Iowa Code § 476.1B (1997), Rideta and SWISCO are not subject to rate regulation by the Board. Members of Rideta and SWISCO have approved the consolidation. Rideta and SWISCO have represented that Southwest Iowa is ready, willing, and able to provide service to its member consumers, the former members of Rideta and SWISCO.

The Board will also approve the requested modification of the exclusive service area boundaries. Effective January 1, 2004, the territories formerly assigned to Rideta and SWISCO will be assigned to Southwest Iowa. This modification does not impact the electric service area boundary of any other public utility. Rideta and SWISCO have alleged facts that establish the proposed modification will prevent unnecessary duplication of facilities, will promote the efficient and economical use

and development of electric systems, and is in the public interest. Iowa Code § 476.25(2).

Rideta and SWISCO state Southwest Iowa will be adopting a new corporate tariff and will be filing that tariff on or before January 1, 2004. However, if the provisions of the new tariff that are subject to Board jurisdiction and review are not approved by the Board on or before January 1, 2004, service after that date will be provided to former members of Rideta under the Rideta tariff and service will be provided to former members of SWISCO under the SWISCO tariff until the consolidated tariff is approved.

IT IS THEREFORE ORDERED:

The "Joint Application for Authorization to Discontinue and Transfer Service and to Modify Service Area Boundaries" filed by Rideta Electric Cooperative, Inc., and Southwest Iowa Service Cooperative on October 17, 2003, is granted.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 14th day of November, 2003.